

## **9-1-1 Coordination Board Meeting**

Via Teleconference

Public Listening Location – 118 W. Capitol Avenue, Pierre, SD 57501

South Dakota Department of Public Safety

November 30, 2010 – 10:00 AM CST

### **AGENDA**

- I. Call to Order & Roll Call
- II. Approval of November 30, 2010 Agenda
- III. Approval of September 30, 2010 Meeting Minutes
- IV. Public Comment
- V. Discussion of November 17, 2010 Interim Rules Review Committee Meeting
- VI. Update on Winbourne & Costas, Inc. Surcharge Collection Project
- VII. Update from Funding Subcommittee on Analysis of 2009 PSAP Financial Data and Discussion of Financial Reporting Form Revisions for 2010
- VIII. Discussion and Potential Action on 9-1-1- Board State Grant Program
- IX. Discussion of Proposed 9-1-1 Board Liaison Program
- X. Discussion of Future Board Meetings to Address the State 9-1-1 Plan and Agenda for December Board Meeting
- XI. Update on Legislative Task Force and Review of Proposed Board Legislation
- XII. Other Business
- XIII. Adjourn

**Teleconference access: Dial: 866-939-8416, Participant ID: 9243888**

*Any questions regarding this meeting or agenda can be directed to:*

**Michael Houdyshell – South Dakota 9-1-1 Coordinator**

**Department of Public Safety, 118 W. Capitol Avenue, Pierre, SD 57501**

**605.773.2691**

## **South Dakota 9-1-1 Coordination Board**

Meeting Minutes for September 30, 2010 – 10:15 AM Central (DRAFT)  
South Dakota State Capitol Building – Room 412  
500 East Capitol Avenue, Pierre, SD 57501

**Board members present:** Barthel, Carmon, Falken, Haines, Rufledt, Sawvell, Sebert, Serr, Tucholke, Turbak, Turman

**Board members absent:** Goldschmidt

**Staff present:** Michael Houdyshell (9-1-1 Coordinator, DPS Attorney)

**Others present:** Tom Sandvick (Lawrence Co. 9-1-1), Paul Schueth (Winner Police Department), Roni Phillips (Winner Police Department), Bob Wilcox (SD Association of County Commissioners), Senator Corey Brown, Bob Grandpre (Pierre PD), Julie Wegener (Lake Co. 911), Jack Day, Greg Dean (South Dakota Telecommunications Association), Edie Jennings (Pierre PD PSAP).

### **I. Call to Order & Roll Call**

Meeting called to order at 10:15 AM by Chairperson Rufledt. Roll was taken and a quorum was present.

### **II. Approval of Agenda**

Motion to approve agenda.

Moved by: Carmon                      Second by: Sebert

Discussion: None

Conclusion: Motion carried unanimously.

### **III. Approval of August 31, 2010 Meeting Minutes**

Motion to approve meeting minutes.

Moved by: Barthel                      Second by: Haines

Discussion: Carmon pointed out some typographical errors that will be corrected by the 911 Coordinator prior to releasing the final minutes.

Conclusion: Motion carried unanimously.

#### **IV. Public Comment**

None

#### **V. Report of Department of Legislative Audit regarding county surcharge usage**

Marty Guindon and Russ Olson from DLA were present and discussed the department's findings of its preliminary "educational audits" of 27 counties and 1 PSAP. Copies of the department's report were distributed to all board members, and additional copies were made available for members of the public in attendance.

#### **VI. Report of Funding Subcommittee**

Turbak reported on the Funding Subcommittee's meeting wherein Turbak, Haines, and Houdyshell agreed to complete an informal analysis of the surcharge data. Turbak stated that the initial analysis is due to Houdyshell on or before October 15. Houdyshell will then compile the information into a report to be presented to the entire board at a later date.

Rufledt, Jr. reminded the board that the purpose of the informal analysis was to have a benchmark to compare with the consultant's report.

#### **VII. Report of Operations Subcommittee**

Falken explained that the subcommittee had met previously to discuss a potential Liaison position to conduct onsite PSAP visits and rules compliance checks. Haines elaborated on the proposal.

Sebert commented that there should only be one position for purposes of continuity. Falken commented on the need to get the Liaison program started prior to final rule implementation. Serr commented that the position should help PSAPs with compliance, rather than just being the "compliance police." Falken ended the discussion with an invitation to the board to be thinking about who could fill the position so the right applicants can be identified.

#### **VIII. Discussion and potential action on Winbourne & Costas, Inc. contract for 911 Surcharge project**

Houdyshell discussed the contract negotiations with Winbourne & Costas, Inc., and explained that the consultants wanted to travel to South Dakota for a kick-off meeting in Rapid City on October 7th. During their visit, the consultants will visit a few PSAPs to gain a better understanding of 911 operations in SD. The agreed upon contract amount is equivalent to the amount proposed in consultant's Proposal to the Board's RFP.

Motion to approve contract with Winbourne & Costas, Inc.

Moved by: Barthel                      Second by: Tucholke

Discussion: None

Conclusion: Motion carried unanimously.

#### **IX. Coordinator's Report**

Houdyshell discussed the most-recent 911 coordination fund condition statement. A question about the \$2,002 capital asset expenditure came from the Board. Houdyshell replied that the expenditure was for an upgrade to the Coordinator's computer equipment.

#### **X. Other Business**

None

#### **XI. Adjourn**

Moved by: Sebert                      Second by: Carmon

Discussion: None

Conclusion: Motion carried unanimously.

**Meeting adjourned at 11:28 a.m.**

### **Process**

- All of the 2009 financial reports submitted by the counties and PSAPs were copied and pasted into one spreadsheet. Some reports submitted included information in more than one column – everything was pasted into the master spreadsheet just as it appeared in the reports received
- Subtotals were added to the spreadsheet in each column in several places
- Obvious errors were corrected
- Liberties were taken in completing missing data and correcting what appeared to be less obvious errors
- Columns were grouped by PSAP so that all reports associated with a particular PSAP, whether from a participating county or city or the PSAP itself, were side-by-side on the spreadsheet
- Columns were added for “Eliminations” and for a total/net for each of the PSAPs
- “Eliminations” were entered as needed in “Eliminations” columns to remove transactions among the entities participating within each respective PSAP. This was done to avoid double-counting of revenues and expenditures when money was paid by one reporting entity to the reporting PSAP. This column was also used to move the amounts paid by the PSAP host entity from the revenue line entitled “PSAP Host City/County Subsidy” down below on the spreadsheet to the line that I re-titled “Transfers In or Costs Paid by Other Funds”. This was done to consolidate into one line the amounts paid for PSAP costs by the host entity over & above those costs funded from surcharge revenues.
- The totals for each PSAP were entered into another spreadsheet tab so that PSAP totals appeared side-by-side and a grand total could easily be computed.
- The grand total for all PSAPs was entered on a third spreadsheet tab and accounts were consolidated into fewer line-items
- Reported amounts of surcharge revenues were cross-checked with the annual financial report data posted on the Department of Legislative Audit (DLA) website database and were found to be very consistent with the amounts reported to the State 911 Coordination Board
- Reported amounts of surcharge revenues were also cross-checked with the DLA’s County 911 Service Fund Review Summary report provided to the State 911 Coordination Board for those entities covered by the report; the surcharge revenue amounts were found to be very consistent between the two reports

### **Problems**

- Many of the submitted reports contained obvious errors (e. g. balance sheets didn’t balance; ending fund balance on revenue/expenditure statement differed from balance sheet fund balance amount; subtotals were entered where other amounts were called for, etc.)
- Many of the reports were missing some data called for by the form (e. g. balance sheet amounts weren’t entered, beginning fund balance amounts weren’t entered, etc.)
- No reports were received from some PSAPs and some counties: Fall River County, Faulk County, Shannon County, Ziebach County, Yankton County, Mobridge PSAP, Rosebud Sioux Tribe PSAP

### **Summary of Compiled Data**

- Total surcharge revenues - \$8.1 million
- Total expenditures - \$16.8 million (68% of which is personnel costs)
- Subsidy provided by host entities - \$4.7 million
- Revenues from other entities (e. g. non-host cities) - \$3.3 million
- Per-month surcharge rate needed in 2009 to generate \$16.8 million/year - \$1.55



AR:  
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Percent  
of Wages  
Paid By  
Surcharge

100%

64%

57%

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**2010 Estimated 9-1-1 Emergency Surcharge Collection in South Dakota**

1Q 2010 Surcharge collection Total = \$1,856,433.51

1Q 2010 Surcharge collection (wireline) = \$877,317.31

1Q 2010 Surcharge collection (wireless/VoIP/other) = \$979,116.2

2010 Surcharge collection Total (est.) (based on 1Q reports only) = \$7,425,734.04

2010 Surcharge collection (wireline)(est.) = \$3,509,269.24

2010 Surcharge collection (wireless/VoIP/other)(est.) = \$3,916,464.80

## **South Dakota 9-1-1 Coordination Board**

### **9-1-1 Grant Program Guidelines**

#### **Program Goals**

The goal of this grant program is to provide financial assistance to PSAPs that need help in funding non-recurring costs necessary to achieve or maintain compliance with the standards set out in South Dakota Administrative Rules Sections 50:02:04:02 General operational standards, 50:02:04:03 Call taking standards, 50:02:04:04 Communication with field units, 50:02:04:05 Facilities and equipment and 50:02:04:06 Technical standards. The maximum amount of any single grant award is \$50,000.

#### **Applicant Eligibility**

Eligible applicants –

- Must be a South Dakota city, county or federally recognized Indian tribe that operates one of the 35 established PSAPs in the state. An application submitted for the benefit of a PSAP that is operated jointly by two or more cities and/or counties under a formal joint powers or cooperative agreement must be submitted by one of the sponsoring governmental entities
- Must be in compliance with SDCL, 34-45-34 Enhanced 911 Service
- Must have in effect the maximum 911 emergency surcharge (\$0.75) for the entire PSAP service area
- Must be in good standing with the South Dakota 911 Coordination Board in regard to all established Financial Standards set out in Administrative Rules Section 50:02:04:07

#### **Matching Requirement**

Applicants must provide a cash match in an amount equal to at least 50% of the total project costs.

#### **Application Cycles**

There is one application funding cycle in each year. Applications are due on March 31<sup>st</sup>. Applicants may submit no more than one application for each funding cycle. An application not funded in an annual funding cycle must be resubmitted in order to compete again in a subsequent application cycle.

#### **Applications**

Applications must be submitted in writing and shall contain the following information:

1. Application cover sheet
2. Budget sheet
3. Proposed method of funding matching requirement
4. Project schedule
5. Project narrative
6. Written plan that sets out how the PSAP will achieve compliance with standards in Administrative Rules

### Application Review

The Board will notify applicants within 30 days after receipt of the application if the application does not meet the guidelines and will identify the items that need to be provided before the application will be considered by the Board. Priority will be given to applicants who can demonstrate they have developed an achievable plan to reach and/or maintain compliance with the standards in South Dakota Administrative Rules governing general operations, call taking, communication with field units, facilities & equipment and technical issues.

### Eligible Use of Funds

Grant money must be used to fund the purchase of hardware/software identified as nonrecurring costs in Section 50:02:04:10 Nonrecurring Costs. The nonrecurring costs funded by this grant program must be allowable as set out in Section 50:02:04:08 PSAP Allowable Recurring and Nonrecurring Costs. Any property acquired with grant funds must be used for the direct benefit of the PSAP throughout the useful life of the property.

### Factors for Decision Making

The decision to award or to not award grant funds is entirely at the discretion of the Board.

Priority will be given to applicants –

- Who are seeking funding assistance to fill the technology needs of the PSAP.
- Who can demonstrate that the grant funds will facilitate significant progress toward achieving compliance with established PSAP standards.

Applicants must compete against other applicants requesting funds and the Board will award funds after considering, in no particular order, the following factors:

- Availability of local cash match;
- Readiness to proceed ;
- Technical feasibility;
- Regionalization or consolidation of facilities;
- Degree to which grant funds will assist in achieving or maintaining compliance with standards;
- Compliance with established PSAP financial standards; and
- Information contained in audit reports issued by the Department of Legislative Audit.

### Decisions on Applications

Within 120 days after the applications are presented, the Board will make a decision to either approve or disapprove each application. The Board may choose to modify the amount of any grant awarded by either increasing or decreasing the amount requested in the application. However, no grant will be awarded for more than 50% of the total project costs. No grant will be awarded for more than \$50,000. The Board will notify each applicant in writing of the Board's decision on the application.

**Funding Agreement**

Successful applicants must enter into a Project Agreement with the Board. The Project Agreement will establish the terms and conditions of the grant award.

**Time Restrictions**

Successful applicants must expend the funds awarded to it no later than December 31<sup>st</sup> of the year of award.

**Disbursement of Funds**

Grant funds will be disbursed to successful applicants on a reimbursement basis only after the applicant has paid all eligible project costs. The applicant must submit a reimbursement request and supporting evidence showing all eligible costs have been incurred and paid before disbursement of grant funds will be authorized by the Board or its designee.



# State 9-1-1 Coordination Board

South Dakota Department of Public Safety  
118 West Capitol Avenue  
Pierre, South Dakota 57501-2000

605.773.3178 (Office)

605.773.3018 (Facsimile)

## SD 9-1-1 Coordination Fund Grant Program Project Agreement

Grantee Agency:		
Project Title:		
Address:		
City:	South Dakota	Zip:
Project Director:	Email:	
Phone:	Fax:	
Project Title:		
Start / End Date:		

### State Fiscal Years 2011-2012 Budget Approved

Category	State Funds	Local Match*
Hardware & Software		
Other Direct Costs		
<b>TOTAL</b>		

\* A fifty percent (50%) local match is required for participation in the SD 9-1-1 Coordination Fund Grant Program.

The Grantee Agency signature below confirms acknowledgement that the Agency agrees to adhere to the terms, certifications, assurances and conditions of hereinbelow. The 9-1-1 Coordination Board signature indicates approval of the project outlined in this agreement.

Grantee Agency Authorized Official Signature

Date

Michael S. Houdyshell, State Coordinator  
South Dakota 9-1-1 Coordination Board

Date

## Conditions of Award

### Agreement Requirements

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1. **Grantees** are required to submit quarterly progress reports in the format provided by the 9-1-1 Coordination Board. Progress reports are due fifteen (15) calendar days after the end of the reporting calendar quarter as follows:

First Quarter:	October 1 – 30 December	Report due January 15
Second Quarter:	January 1 – 31 March	Report due April 15
Third Quarter:	April 1 – 30 June	Report due July 15
Fourth Quarter:	July 1 – 30 September	Report due October 15

2. **Work Plan.** The work plan for the project is incorporated by reference and made a part of the Agreement; the work plan will be attached as Appendix A.
3. **Agreement Revisions.** Any proposed changes in the agreement that would result in a change in the nature, scope, character, or amount of funding provided for in the agreement, shall require a written addendum approved by the 9-1-1 Coordination Board.
4. **Subcontracts.** The agency shall not assign any portion of the work to be performed under the agreement or obligate itself in any manner with any third party with respect to its rights and responsibilities under the agreement without the prior written concurrence of the 9-1-1 Coordination Board. This paragraph excludes installation of hardware and software contemplated by this contract.
5. **Procurement of Materials and Equipment.** All solicitations under this agreement require competitive bidding or negotiation. Agencies making purchases or entering into contractual service agreements provided for by this Agreement must adhere to the South Dakota Procurement Procedures as described below.

a. Property and Equipment:

1. **Maintenance and Inventory.** The agency shall maintain and inventory all property and equipment purchased under this agreement.
2. **Utilization.** The property and equipment purchased under this agreement must be utilized by the agency for the sole purpose of processing 911 emergency requests for service at the grantee agency for the entire useful life of the property or equipment.
3. **Title Interest.** The 9-1-1 Coordination Board retains title interest in all property and equipment purchased under this agreement. In the event that the agency fails or refuses to comply with the provisions of this Agreement or terminates this agreement, the 9-1-1 Coordination Board, at its discretion, may take either of the following actions:
  - i. Require the agency to purchase the property or equipment at fair market value or other mutually agreed to amount; or

- ii. Require the agency to transfer the property or equipment and title of said property or equipment, if any, to the 9-1-1 Coordination Board or to another agency, as directed by the 9-1-1 Coordination Board.

4. **Non-expendable Property.** Non-expendable property is defined as property or equipment having a value of \$5000 or more with a life expectancy of more than one year. Non-expendable property purchased under this agreement cannot be sold, traded, or disposed of in any manner without the expressed written permission of the 9-1-1 Coordination Board.

b. Procurement Procedures.

All purchases for printing, goods, or services shall be conducted in a manner which provides maximum open and free competition. All expenditures for goods and services must follow the State procurement procedures and state law described below. Documentation of quotes must be maintained in the agency's fiscal records for not less than three years; copies may be requested by the 9-1-1 Coordination Board.

Goods

1. **Goods less than \$1,000** can be purchased from one quote (printing must be through a South Dakota vendor).
2. **Goods between \$1,000 and \$10,000** require the agency to solicit for written quotes from at least three (3) qualified sources. Justification will be required if the lowest quote is not accepted.
3. **Goods greater than \$10,000** require a Request for Proposals be publicized and solicited from qualified sources. The source awarded the bid will be negotiated with the involvement of the 9-1-1 Coordination Board.

Services

1. **Services \$50,000 or less** require at least 2 quotes from qualified sources.
2. **Services exceeding \$50,000** require a Request for Proposals be publicized and solicited from qualified sources. The source awarded the bid will be negotiated with the involvement of the 9-1-1 Coordination Board.

**Noncompetitive negotiation**, the procurement through solicitation of a proposal from one source, may be allowed if the printing, goods, or services are available from only one source or, if after a number of sources have been solicited, competition is determined inadequate. The 9-1-1 Coordination Board must approve noncompetitive negotiation awards.

## **Summary of Procurement Procedures**

### **Goods**

\$0 - \$1,000	requires 1 quote
\$1,001 - \$10,000	requires 3 quotes
Over \$10,000	requires a Request for Proposals

### **Services**

\$0 - \$50,000	requires 2 quotes
Exceeding \$50,000	requires a Request for Proposals

Projects shall not restrict or eliminate competition as defined by state law. Two laws concerning purchases and contracts are shown below; please see <http://legis.state.sd.us/> for more information.

**5-18-57.** Request for proposals for professional service contract--Contents--Publication. No agency of the state may award or renew a contract for professional services exceeding fifty thousand dollars without complying with the procedures set forth in §§ 5-18-55 to 5-18-62, inclusive. Any agency seeking such professional services shall issue a request for proposals. The agency shall publish any request for proposals issued pursuant to this section on the electronic procurement system maintained by the Bureau of Administration. The request for proposals shall include the procedures for the solicitation and award of the contract.

Source: SL 2009, ch 27, § 3.

**5-18-58.** Evaluation criteria. The request for proposals shall state the relative importance of evaluation criteria to be used in the ranking of prospective contractors. The agency shall include the following evaluation criteria in any request for proposals:

- (1) Specialized expertise, capabilities, and technical competence as demonstrated by the proposed approach and methodology to meet the project requirements;
- (2) Resources available to perform the work, including any specialized services, within the specified time limits for the project;
- (3) Record of past performance, including price and cost data from previous projects, quality of work, ability to meet schedules, cost control, and contract administration;
- (4) Availability to the project locale;
- (5) Familiarity with the project locale;
- (6) Proposed project management techniques; and
- (7) Ability and proven history in handling special project constraints.

Source: SL 2009, ch 27, § 4.

## 6. Reimbursement:

- a. **General.** Reimbursement will be based upon actual allowable costs. Requests for reimbursement will be made upon receipt of an itemized invoice from the agency on forms provided by the 9-1-1 Coordination Board. The itemized invoice shall be supported by documentation of costs.
  - b. **Approval.** The 9-1-1 Coordination Board shall approve the itemized invoice prior to payment. Agencies that have required reports missing will not receive reimbursement until the reports are received.
  - c. **Unapproved Costs.** Any rejected or unaccepted costs shall be borne by the agency. The agency agrees that in the event the 9-1-1 Coordination Board determines that, due to federal or state regulations that grant funds must be refunded, the agency will reimburse the 9-1-1 Coordination Board a sum of money equal to the amount of state participation in the rejected costs.
  - d. **Final Reimbursement Claims.** Final reimbursement claims must be received by the 9-1-1 Coordination Board no later than May 31 of the project year.
  - e. **Expending Funds Under This Agreement.** Under no circumstances will reimbursement be made for costs incurred prior to the agreement effective date or after the agreement ending date.
7. **Project Costs.** It is understood and agreed that the work conducted pursuant to this agreement shall be done on an actual cost basis by the agency. The amount of reimbursement from the 9-1-1 Coordination Board shall not exceed the estimated funds budgeted in the approved agreement. The agency shall initiate and prosecute to completion all actions necessary to enable the agency to provide its share of the project costs at or prior to the conclusion of the project.
  8. **Project Directors.** The Project Director, as specified on the signature page of this Agreement, must be an employee of the agency or the agency's governing body. Any exception to this provision must have the written approval of 9-1-1 Coordination Board.
  9. **Continued Funding.** The agency agrees and understands that continuation of this project with funds from the State of South Dakota is contingent upon State funds being appropriated by the Legislature specifically for that purpose. The agency also agrees that any state funds received under this agreement are subject to the same terms and conditions stated in this Agreement.
  10. **Resolution of Disputes.** Any dispute concerning a question of fact in connection with the work not disposed of by agreement by and between the agency and the 9-1-1 Coordination Board, or otherwise arising between the parties to this agreement, shall be referred to the Secretary of the South Dakota Department of Public Safety and the authorized official of the agency for a negotiated settlement. In any dispute concerning a question of fact in connection with the project where such negotiated settlement cannot be resolved in a timely fashion, the final decision regarding such dispute shall be made by the Secretary of the South Dakota Department of Public Safety and shall be final and conclusive for all parties.

11. **Hold Harmless.** The agency agrees to hold harmless and indemnify the State of South Dakota, its officers, agents, and employees, from and against any and all actions, suits, damages, liability or other proceedings which may arise as the result of performing services hereunder. This section does not require agency to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees.
12. **Cancellation, Termination, or Suspension of Agreement.**
  - a. **By the 9-1-1 Coordination Board.** This agreement may be canceled, terminated, or suspended in whole or in part by the 9-1-1 Coordination Board for noncompliance with any of the said rules, regulations; orders or conditions by giving the agency thirty (30) days advanced written notice. The 9-1-1 Coordination Board, before issuing notice of cancellation, termination, or suspension of this agreement, may allow the agency a reasonable opportunity to correct for noncompliance.
  - b. **By the agency.** The agency may terminate this agreement by providing thirty (30) days advanced written notice to the 9-1-1 Coordination Board.
13. **Controlling Law.** This agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.
14. **Compliance Provision.** The Agency will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this agreement, and will be solely responsible for obtaining current information on such requirements.
15. **Completion Date.** Unless otherwise authorized in writing by the 9-1-1 Coordination Board, the agency shall commence, carry on, and complete the project as described by May 31 of the state fiscal year (July 1 to June 30) for which it was approved.

# **APPENDIX A**

## **WORK PLAN**